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## Rewald gets 80-year term in fraud case

HONOLULU (AP) — A former investment counselor convicted of swindling investors out of millions of dollars, claiming the Central Intelligence Agency put him up to it, was sentenced Monday to 80 years in prison.

Ronald R. Rewald, a former Wisconsin sporting-goods dealer, was convicted by a U.S. District Court jury Oct. 21 of 94 counts of fraud, perjury and tax evasion.

The charges stemmed from the 1983 collapse of Bishop, Baldwin, Rewald, Dillingham & Wong.

U.S. District Court Judge Harold Fong also fined Rewald \$352,000.

"There were many many victims against whom your actions perpetrated a disaster," said Fong. "You have made victims of those who trusted you."

Prosecutors said the firm was a pyramid scheme, in which earlier investors were paid handsome returns out of deposits made by later inves-

tors. Rewald himself spent much of the money that came in on women, fancy cars, a luxury home and polo ponies, they said.

About 400 investors placed \$22 million in the company. Only about \$10 million could be accounted for by bankruptcy trustees.

Rewald claimed his company was a CIA front, and the agency cut its ties to him when he got in trouble. Rewald did not take the stand in the trial.

During the 11-week trial, more than 2,600 pieces of evidence were introduced. Witnesses included three former Honolulu CIA bureau chiefs, a former Playboy magazine centerfold and television actor Jack Lord.

The CIA acknowledged it used the firm to provide commercial cover for

agents, and for telex and telephone services. The spy agency said it had no links to the company's financial activities.

In a sentencing memorandum filed Dec. 2, government prosecutors asked Rewald spend 100 years in prison. They said he had shown no remorse for his crimes, and even met with potential new investors while awaiting trial.

In an affidavit, actress Bo Derek and her husband, producer-director John Derek, said Rewald met with them in Los Angeles while he was awaiting trial. She said he told them he headed 86 companies, some or all used to move CIA money. She said he also told them they were under covert surveillance. The couple contacted the FBI after the meeting.